

ಶ್ರೀ ಪಾಟಾಳ್ ನಾಗರಾಜ್.—ಕೈ ಮುಗಿದು ಕೇಳಿಕೊಳ್ಳುತ್ತೇನೆ, ಕನ್ನಡದಲ್ಲಿಯೇ ಓದಿದರೆ ಚೆನ್ನಾಗಿರುತ್ತದೆ. ಮಾನ್ಯ ಮಂತ್ರಿಗಳು ಕನ್ನಡದಲ್ಲಿ ಆಯವ್ಯಯವನ್ನು ಮಂಡಿಸಲಿ. ಇಲ್ಲದೆ ಹೋದರೆ ಕನ್ನಡ ರಾಜ್ಯ.....

ಅಧ್ಯಕ್ಷರು.—ಎಷ್ಟು ಸಾರಿ ಪ್ರಾರ್ಥನೆ ಮಾಡುತ್ತೀರಿ. ಮಾನ್ಯ ಮಂತ್ರಿಗಳು ಇಂಗ್ಲಿಷಿನಲ್ಲಿ ಪುರು ಮಾಡಿದ್ದಾರೆ. ಈಗ ಮಾನ್ಯ ಸದಸ್ಯರು ಹೇಳಿದ ಹಾಗೆ, ಅವರ ಅಪ್ಪಣೆಯ ಪ್ರಕಾರ ನಡೆದು ಕೊಳ್ಳಬೇಕೇ? ಮೂರು ಸಾರಿ ಹೇಳಿದ ನಂತರ ಪುನಃ ಅದನ್ನೇ ಹೇಳುತ್ತಿದ್ದಾರೆ. ಮಾನ್ಯ ಸದಸ್ಯರು ಕನ್ನಡದಲ್ಲಿ ಬಡ್ಡೆಟ್ ಮಂಡನೆಯಾಗಬೇಕು ಎಂದು ಹೇಳಿದ್ದಾರೆ. ಮತ್ತೆ ಉದ್ಘೋಷ ಭಾಷಣವನ್ನು ಮಾಡಿದರೆ ಅದರಿಂದ ಪ್ರಯೋಜನವಿಲ್ಲ. ಒಂದುಸಾರಿ ಹೇಳಿದರು, ಎರಡು ಸಾರಿಹೇಳಿದರು. ದಯವಿಟ್ಟು ಕುಳಿತುಕೊಳ್ಳಿ ಎಂದು ವಿನಂತಿ ಮಾಡಿದ್ದೇನೆ. ಒಂದು ಭಾಷೆಯಲ್ಲಿ ಭಾಷಣವನ್ನು ಪ್ರಾರಂಭ ಮಾಡಿದರೆ ಅದನ್ನು ಬದಲಾಯಿಸುವುದಕ್ಕಾಗುವುದಿಲ್ಲ.

Sri RAMAKRISHNA HEGDE.— Sir.

I RISE to present the Budget Estimates for the year 1967-68.

We are meeting for the first time after getting a verdict of the people in the Fourth General Elections. For the first time a new political climate has been created in the country. In several States different political parties have been voted to power. In a way, it is a good augury for the stabilisation and healthy growth of our infant democracy. Whichever party holds the reigns of administration, the common aim is the welfare of the masses. It is the duty of every accredited representative of the people in the Legislatures to strive for leading the country towards progress and prosperity.

The new State of Mysore has completed ten years. A decade is an important milestone in the development of the State. If we make a dispassionate and objective

(SRI RAMAKRISHNA HEGDE)

analysis, most of the teething troubles that we had in forming the new State, composed of five units, have been overcome in a large measure. There is a growing awareness of the advantages that flow from unity and in utilising the resources of the State to the best advantage of all concerned. There is growing mutual respect, affection and regard for the people of different areas and with the persistent and patient efforts by all of us, it is bound to grow further in the coming years. We have abundant natural resources, a vigorous peasantry, political stability, leadership of high order, and if all these factors are used skilfully, the pace of progress is bound to be faster. Fortunately this time the State has secured good representation in the Union Cabinet which is a prime factor to be reckoned within the progress of the State.

Despite several difficulties the State had to face, marked progress was achieved in all sectors during the ten-year period. During this period the Revenues of the State is expected to rise from Rs. 58.15 crores in 1957-58 to Rs. 160.44 crores in 1966-67, while the expenditure will move up from Rs. 53.11 crores to Rs. 155.18 crores. *Per capita* Revenue has thus moved up from Rs. 26.8 to Rs. 62.1 and *per capita* Revenue expenditure from Rs. 24.5 to Rs. 60.1. Developmental expenditure on Revenue Account during this period is expected to rise from Rs. 33.07 crores to Rs. 89.27 crores while the non-development expenditure from Rs. 20.04 crores to Rs. 65.81 crores.

The development expenditure forms about 58 per cent of the total Revenue expenditure during 1966-67. The expenditure under Capital which was Rs. 16·80 crores in 1957-58 is likely to reach Rs. 32·19 crores in 1966-67 while disbursement of loans and advances for various purposes which amounted to Rs. 4·28 crores in 1957-58 is expected to reach Rs. 20·61 crores in 1966-67. It is true that our debt and other liabilities like Unfunded Debt, Deposits, etc., have increased from Rs. 87·45 crores to Rs. 336·27 crores during this period. But at the end of 1966-67 the assets built up will aggregate Rs. 471·95 crores which comprise of Irrigation and Power Rs. 217·95 crores, Loans to Electricity Board Rs. 30·62 crores in the form of Assets, Buildings and Communications Rs. 67·09 crores, Industries Rs. 38·18 crores and others including Loans and Advances outstanding Rs. 118·11 crores. It may be seen that these assets have already generated some economic growth which will grow rapidly in future and there can be no apprehensions about the economic stability of the State.

Under Agricultural sector the production of food-grains rose from 32 lakhs tons in 1957-58 to 47 lakhs tons in 1966-67 ; fertiliser consumption has gone up from 29,000 tons to 1,80,000 tons ; number of seed farms has increased from 9 to 73 ; tractors on hire-purchase has gone up from 69 to 500 ; and diesel sets from 10 to 2,000 per annum. The expenditure incurred over the decade on Major, Medium and Minor Irrigation is about Rs. 89·88 crores and out of additional potential

(SRI RAMAKRISHNA HEGDE)

of 10·82 lakhs acres created 9·29 lakhs acres is being utilised. The total amount spent on Communications is about Rs. 93 crores. The mileage has increased from 14,000 miles to 26,000 miles other than Rural Roads ; there were practically no Rural Roads in 1957-58 but during the period about 14,000 miles were tackled and 12,000 completed. Number of major bridges was 272 in 1960 and now it is 415. Under Education number of Primary Schools has increased from 24,014 to 31,827 and number of Boys and Girls enrolled have gone up from 20·25 lakhs to 36·36 lakhs ; number of Secondary Schools has increased from 556 to 1,670, while number of students from 1·87 lakhs to 5·07 lakhs. Six Engineering Colleges with intake of 600 have gone up to 15 with capacity of 2,100. Fifteen Polytechnics with capacity of 1,740 has increased to 30 with 3,790 capacity. Number of Arts and Science Colleges has increased from 36 to 109 and students from 30,000 to 82,000. On Health and Medical Services Government spent Rs. 306·91 lakhs in 1957-58 and in 1966-67 the expenditure will be Rs. 872·84 lakhs. Malaria eradication has reached maintenance stage. Many communicable diseases have been controlled. With the increased facilities both under preventive and curative sectors the health conditions of the people have improved.

Substantial progress is noticeable under welfare of backward classes. Number of hostels has risen from 54 to 431 ; number of ashram and residential schools from 8 to 108 ; fourteen technical schools were also newly started. In 1960 Government of India

introduced scholarships for backward classes and this has increased from 2,548 to 5,136, money value being Rs. 14.78 lakhs and Rs. 29.34 lakhs respectively. Training of artisans in the Labour Department was given impetus in Second Plan. Out of 15,195 admitted for training 5,458 passed the examination and 2,308 are under training.

We have been adopting a progressive policy in regard to Rural Electrification. Every Taluk Head-quarter has been given power. It is our aim to provide power to every village with a population of 2,000 in the next four to five years. I am giving you a broad picture of what has been achieved without entering into details. We are confident that in the next four years the State will make further rapid progress in the fields of Agriculture and Industries.

Brief Economic Survey

AGRICULTURAL AND INDUSTRIAL PRODUCTION

The adverse seasonal conditions during the crop year 1965-66 affected the agricultural production in the State and it suffered a setback. The index of agricultural production had stepped up from 131.1 in 1963-64 (Base : 1956-57 = 100) to 134.7 in 1964-65 ; but it is expected that it will have gone down by 33.7 points to 101.0 in 1965-66 according to the final crop estimates for the year. The index of foodgrains production is expected to move down from 140.7 in 1964-65 to 101.3 in 1965-66. The index of production of agricultural commodities other than foodgrains is estimated to

(SRI RAMAKRISHNA HEGDE)

recede to 100·7 in 1965-66 from 126·5 in 1964-65. The output of foodgrains, which stood at 45·34 lakh metric tons in 1964-65, is estimated to drop by 28·07 per cent to 32·61 lakh metric tons in 1965-66 due to scarcity conditions.

SEASONAL CONDITIONS AND RELIEF MEASURES

Unfortunately during the current year also adverse seasonal conditions prevailed in many areas. Government undertook speedily scarcity relief works and other relief measures on a vast scale in the scarcity affected areas with a view to providing gainful employment and relief to the affected people.

A sum of Rs. 4 crores (Rs. 3·25 crores loan and Rs. 0·75 crores grant) was made available for scarcity relief by the Government of India. This assistance was utilised for providing additional funds for scarcity relief works, soil conservation works, sinking of new irrigation wells and other minor irrigation works and for meeting the expenses of the Emergency Feeding Programme. In addition, the several departments undertook measures from the Departmental Budget to meet the situation.

During 1965-66, the Industrial sector in the State made considerable progress. The Industrial production moved up during 1965-66 compared to the preceding year. The output of superphosphate and sulphuric acid during the year shot up by 155·4 per cent and 101·9 per cent respectively. The production of steel

moved up by 66.2 per cent and that of ammonium sulphate by 59.7 per cent. The output of vanaspathi, sugar, paper, sandalwood oil and cement was higher by 21.6 per cent, 15.6 per cent, 10.9 per cent, 8.6 per cent and 6.8 per cent respectively. The production of pig iron and copper sulphate, however, declined by 2.5 per cent and 23.3 per cent respectively. The production in most of the industries during the period April-September 1966 was also higher than its level in the corresponding period of the preceding year. The value of production in a majority of Government industrial concerns also improved considerably during 1965-66. A rise in the value of their production was also observed during April-September 1966 compared to its level in the corresponding period of the preceding year. The calendar year 1965 witnessed a rise also in the value of production of many of the important minerals in the State over its level in the preceding year.

EMPLOYMENT OPPORTUNITIES

The data from the 20 Employment Exchanges in the State for the year 1965-66 reveals an improvement in the employment situation during the year compared to the preceding year. The number of vacancies notified by the Exchanges during 1965-66 was 31,403 as against 28,067 during 1964-65 and of placements effected 20,895 in 1965-66 as against 16,831 in 1964-65. The number of applicants on the live register at the end of 1965-66 was 1,33,054 while at the end of 1964-65 it was 1,16,729.

(SRI RAMAKRISHNA HEGDE)

PRICES

The year 1966 witnessed a rise of 26 per cent in the wholesale prices of agricultural commodities as a whole in the State, its index having stepped up to 263·5 from 209·6 in 1965 (Base: 1952-53=100). While the index had reached the peak of 250·3 in the month of November and touched the bottom of 185·6 in the month of March during 1965, it had reached the peak of 297·9 in the month of August and touched the bottom of 230·4 in the month of February during 1966. The 1966 wholesale price index for cereals registered a rise of 12 per cent, the index for pulses a rise of 8 per cent, the index for oilseeds a rise of 30 per cent, the index for gur a rise of 34 per cent, the index for fibres a rise of 8 per cent and the index for condiments and spices a rise of 66 per cent compared to the previous year. In 1965 the index for cereals had reached the peak of 327·5 in the month of November and touched the bottom of 202·6 in the month of March. But in 1966, the peak index for cereals stood at 318·0 in the month of August and the bottom index at 226·5 in the month of November.

COST OF LIVING

The rise in the wholesale prices of agricultural commodities in 1966 was reflected in the cost of living of the people in the State. The rise in the cost of living of the working class for 1966 in the 10 urban centres in the State, in respect of which the indices are available, ranged from 8 per cent in Mangalore to 21 per cent in Bhadravathi.

An almost continuous upward trend in the cost of living of the middle class in the State was also discernible during 1966. The consumer price indices for the urban non-manual employees in the four centres of the State published by the Central Statistical Organisation reveal that there was a rise of 6.9 per cent, 13.4 per cent, 11.8 per cent and 12.6 per cent in 1965 in the cost of living of the middle class in Bangalore, Gulbarga, Hubli-Dharwar and Mangalore respectively compared to 1964.

The cost of living of the agricultural labourers in the State also rose by 15 per cent in 1966, its index having moved up to 180 from 157 in 1965 (Base: 1960-61=100). The index rose continuously, except in the month of March, during 1966 up to September from 173 in January to 192 in September; it displayed a declining trend from October and is expected to have moved down to 173 in December 1966.

FINANCIAL POSITION

In my previous Budget Speech while presenting the Estimates for 1966-67, I had reviewed the financial position from the year 1957-58 to end of 1965-66. It is not necessary to repeat what has been said. At that time the actuals for 1965-66 were not available. I will place before you an account of the Third Plan period taking into consideration the actuals of 1965-66.

The Third Plan outlay of Rs. 250 crores was expected to be financed with a Central assistance of Rs. 140 crores and State's own resources of Rs. 110

(SRI RAMAKRISHNA HEGDE)

crores. It is now seen that the actual expenditure according to departmental figures is about Rs. 248 crores. The expenditure on State Plan under the various sectors was as indicated below :—

		(Rs. in crores)
Agricultural Programme	....	58·74
Community Development and		
Co-operation	....	17·36
Irrigation and Power	....	95·82
Industry and Mining	....	16·32
Transport and Communication	19·90
Social Services	39·13
Miscellaneous	0·31
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Total	247·58
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In addition, the expenditure on Centrally sponsored schemes was Rs. 38·69 crores. This brings the total expenditure on the Plan to Rs. 286·27 crores as against the proposed outlay of Rs. 250 crores. It was explained in my last speech that there was a shortfall in State's resources mainly under :—

- (1) Balance from current revenues due to increased emoluments to Government servants, increased expenditure due to educational concessions, N.C.C., adverse seasonal conditions, etc. ;
- (2) Increased expenditure under loans and advances, administrative buildings, police housing, etc. ;
- (3) Larger repayments to Centre ;

The net result was that the State's resources including Treasury bills came to Rs. 51 crores and the balance had to be financed with a larger Central assistance of Rs. 150 crores and Ways and Means advances and overdraft of Rs. 41 crores and *ad hoc* loan from the Centre of Rs. 6 crores. The Ways and Means advance covered by securities was expected to be cleared by sale of securities which could not materialise during 1965-66 and the question of clearing the overdraft was under consideration of Government of India. During the current year securities were sold and Ways and Means advance was cleared and the Government of India sanctioned an *ad hoc* loan of Rs. 15.65 crores to clear the overdraft at the end of June 1966. Since the Government of India took into account the position as at the end of June 1966, which, on account of grants received during April to June 1966, had reduced the overdraft to some extent, it is inevitable that the backlog of overdraft as on 31st March 1966 will be carried forward during this year. The current year also may end up with an overdraft of Rs. 14 crores to Rs. 15 crores, mainly due to the following reasons :—

- (1) Larger repayment towards *ad hoc* loans sanctioned by Government of India—Rs. 10.65 crores against Rs. 6.00 crores provided in the current year's Budget ;
- (2) Additional commitment on account of sanction of Dearness Allowance ;
- (3) Shortfall in collection of land revenue, water-rate and loans and advances ;

(SRI RAMAKRISHNA HEGDE)

- (4) Additional expenditure on account of major and minor irrigation, share capital to co-operatives, rural and urban water supply and other welfare schemes.

The *ad hoc* loan of Rs. 6 crores sanctioned during 1965-66 and Rs. 15.65 crores during the current year is repayable over a five-year period and during the current year itself we have repaid Rs. 10.65 crores towards this *ad hoc* loan, though only Rs. 6 crores was anticipated according to Budget Estimates.

I had also indicated last year that Government took steps to reduce the expenditure on Plan and Non-Plan and, but for this action, the expenditure would have further increased.

The review of working of the various Departments with reference to progress of development is given in a separate volume. I will refer to only very important aspects in this speech.

Agriculture

Maximum attention is being paid to schemes pertaining to agricultural production. Mysore is marginally deficit in the production of foodgrains. This margin will be made up within the next few years. We are determined to make the State self-sufficient in foodgrains by the end of the Fourth Plan. A number of irrigation schemes are in progress. The resources will be so allocated that the projects on which a large amount of expenditure has already been incurred are

completed during the coming year so that they may start yielding results. The ayacuts under Bhadra and Tungabhadra Projects have now started yielding results. I have no doubt that within the next few years the districts of Shimoga, Chitradurga, Bellary and Raichur will be the granary of the entire State, and meet all its requirements and if need be, export foodgrains and other agricultural produce to other States.

Considerable attention is being paid to propagating high yielding varieties of foodgrains. I am happy to mention here that Hybrid Maize has become very popular and we are now in a position to export small quantities of this grain to other States. Hybrid jowar, Hybrid Bajra and Taichung 65 and Taichung Native I varieties of rice are being propagated. During the current year itself it was possible to bring two lakhs acres under Hybrid and high yielding varieties. The State will be able to supply seeds to other States also. I am confident that given fairly good seasonal conditions we would be in a fairly comfortable position within two years.

Our policy has been to provide adequate and timely supplies of seed, credit and fertiliser to the farmers. We have also to ensure a fair return for the foodgrains that is produced by the farmer. Our food policy has been successful. We are procuring only seven to eight per cent of the total production under a graded slab system, which is considered reasonable by the farmers also. The rest of the production is allowed to be sold by the farmer in the open market. This

(SRI RAMAKRISHNA HEGDE)

has the double purpose of ensuring adequate incentives to the farmer and also ensuring supplies and variety of choice for the consumer also. The quantity that we procure under the levy order, supplemented by the small quantities of rice and wheat that we get from the Centre, is just enough to meet the needs of the urban and vulnerable sections of the population. This strategy has worked very well. Our shops have always been fairly well supplied by foodgrains and we may congratulate ourselves that we did not go through the difficulties which cities in other States where formal rationing was introduced experienced in the recent past.

The fertiliser supply position has been under constant review and steps are being taken to ensure adequate supply of fertilisers. The allotment has been of the order of 1.82 lakhs tons as against 1.20 lakhs tons in III Plan period. Sufficient quantities have now been stocked in all the Taluka Co-operative Marketing Societies and they are making efforts to move them to Primary Societies also so that they will be readily available to the cultivators before the next Khariff season starts. We got three shiploads of fertiliser from Mangalore during the last few months and we hope to make use of the Mangalore and Karwar Ports for this purpose in an increasing measure in the coming years.

The short term credit that is now being given to the farmers is of the order of about Rs. 20 crores per year. We hope to increase it to Rs. 50 crores within

the next four years. The crop loan system is being introduced in all the districts. But mere lending of money will not do. The money that is being given must be quickly given and in adequate quantities and in time. The money must be utilised for the purposes for which it is given and there should be prompt recoveries. Our Co-operative movement is not quite strong in many districts and we are doing our best to increase the efficiency of this Department in the coming years considerably.

With a view to serve the farmer better, the Departments of Agriculture, Co-operation and Marketing have been reorganised and considerably strengthened during the last few months. Senior officers of the Department of Agriculture and Co-operation have been located in each Division, a Deputy Director of Agriculture and a Deputy Registrar of Co-operative Societies are located in each District and the jurisdiction of the Assistant Directors of Agriculture and Assistant Registrars of Co-operative Societies has been reduced so that there may be better service to the farmers. The Department of Marketing has also been reorganised so that good regulated markets are set up throughout the State which will ensure competitive prices, grading and removal of malpractices and ensure a fair return to the producer.

The programme of sinking wells and energising them has become extremely popular. We propose to sink 100 thousand wells during the Fourth Five-Year Plan period. The money will be given through the Land Development Bank. Loans have been sanctioned

(SRI RAMAKRISHNA HEGDE)

for more than 10,000 wells during the current year and it is proposed to sanction loans for 20,000 wells during the next year. We have provided a sum of Rs. one crore and ninety lakhs for the purpose in the Budget and this will be supplemented by an amount approximately twice that by the Land Development Bank. Large number of electric pumps and diesel sets will be supplied to the agriculturists through the Co-operative Institutions.

The area under Irrigation in Mysore State is small, being only 8.5 per cent. Completion of Major Projects requires time and finance. This can be done only gradually. Even if we complete all the Irrigation Projects, the percentage under Irrigation is not likely to go up beyond 24 per cent in the foreseeable future. A large area would still have to depend on the vagaries of the monsoon. It is, therefore, necessary to ensure full utilisation of all the surface water by adopting soil conservation measures. The total area over which dry crops are raised in the State is about 125 lakhs of acres. Soil conservation has already been done over ten lakh acres and this means that it would be possible to take up at least 52.5 lakhs of acres within the next 10 to 15 years. It is proposed to utilise the financial assistance from Agricultural Re-finance Corporation for this purpose and our programme is to invest Rs. 12 crores to take up soil conservation works over at least 15 lakhs of acres during the next four years.

As reflected in the previous Budget and Supplementary Estimates, Government took special steps to

increase the tempo of Minor Irrigation programmes including sinking of irrigation wells, providing and energising pumpsets. At present about 4,600 Minor Irrigation works, big and small, are in progress and by the end of the current year as many as possible will be completed. Government also sanctioned fresh works costing about Rs. 3 crores as part of Scarcity Relief programme. The Budget provides for all these works and with reference to the progress, the amount will be supplemented by re-adjustment. An important feature of next year's programme is that special allotment has been made for drought affected areas so that works could be completed within a short period. Government have also taken up Lift Irrigation schemes through Public Works Department and after completion, the question of transferring these schemes to Co-operative agency will be considered. During the current year, in addition to disbursement of Rs. 75 lakhs for Irrigation wells, Government subscribed Rs. 190 lakhs to Land Development Bank Debentures to cater to a larger number of applications for loans. The targets fixed for Rural Electrification and energising pumpsets have been exceeded during the III Plan. During the current year the Electricity Board has been able to electrify 563 villages by the end of January 1967 as against the target of 500 villages and 9,143 pumpsets have been serviced as against 12,000 which is expected to be achieved by the end of the current financial year. The major and medium projects which obviously take time for completion have also received priority. In view of inadequate provision during the current year an additional grant has been included for

(SRI RAMAKRISHNA HEGDE)

these projects as could be seen from the Supplementary Estimates. The Electricity Board has a programme to fulfil the target of energising one lakh pumpsets during the Fourth Plan period.

INDUSTRIES AND POWER

Our economy is passing through a transitional stage. The first and foremost objective to be achieved to strengthen our economy is self-reliance in food. I have apprised the House, of measures taken to increase production by providing irrigation facilities, supply of fertilisers, timely credit, good and high yielding seeds, etc. Increase in the agricultural production will not solve the whole problem. The problem cannot be solved unless the pressure on land is removed and alternative employments are provided. This can be done only if industries, both big and small, are developed and industrial production is increased simultaneously with agricultural production so that the two sectors combined, will not only result in reaching self-sufficiency in food and other consumer goods, but also help relieving pressure on agricultural land by providing alternative employment.

In my last speech, I had given the results of survey by Central Statistical Organisation for the period 1959 to 1962. The latest figures for 1964 indicate that the number of factories moved up from 396 in 1961 to 661 in 1964 (67 per cent), Productive Capital from Rs. 86 crores to 223 crores (159 per cent), number of persons employed from 1.16 lakhs to

1.59 lakhs (38 per cent), gross output from Rs. 107.40 crores to Rs. 192 crores (79 per cent) and value added by manufacture from Rs. 34.13 crores to Rs. 64.52 crores (89 per cent).

During earlier Plans the State was short of power and we could not accelerate the pace of industrial development. The State is now in an advantageous position regarding power. Thanks to the Sharavathi Valley Project in which two generators have already been commissioned and one additional generator will be commissioned approximately once in six months.

The generating capacity has increased from 186 M.W. at the beginning of III Plan to 446 M.W. and is expected to reach 967 M.W. at the end of the Fourth Plan. For a few years to come there may be no difficulty for power with the additional units coming into operation by stages. The requirements of neighbouring States are also being met as a temporary measure.

The Electricity Board has geared its machinery and, as indicated elsewhere, is going ahead fulfilling the targets of transmission, energising pumpsets, electrification of villages, etc. There has been substantial increase in the growth of different classes of consumers since 1961. The number of consumers under lighting has increased from 2.90 lakhs to 5.30 lakhs, heating and power from 26,000 to 49,000, irrigation pumpsets 17,000 to 50,000, street lights from 68,000 to 1.19 lakhs, villages and towns from 4063 to 5988.

(SRI RAMAKRISHNA HEGDE)

It has been estimated that for the utilisation of power, an investment of about 10 times of what is spent on generation of power is required. The investment in Sharavathi Hydro-Electric Project is likely to be of the order of Rs. 100 crores and this would mean that the total investment that would have to be made to utilise this power in the next five years would be about one thousand crores of rupees. This large investment has to be made by a number of people and institutions, the Government of India and the State Government and much of the power would have to be utilised by industries—big, medium and small.

Various measures have been taken to promote the rapid growth of industries in the State. Incentives for starting new industries have been announced covering the preparation of feasibility reports, concessions as regards electricity tariff, sales-tax, octroi duty and assistance regarding trained personnel and marketing.

I am happy to inform the Hon'ble Members that several industrialists have come forward to set up industries in the State in response to the appeal of our Chief Minister. The policy of the Government is to give all possible encouragement and incentives to the local entrepreneurs on a preferential basis but in the interest of rapid industrialisation the Government will welcome people from all parts of the country who have necessary competence, imaginative and organising abilities and a sense of adventure.

The Mysore Industrial Investment and Development Corporation, Ltd., Bangalore, established to promote, improve and assist industries and the execution of industrial projects, has approached the Government of India for securing licences to establish new industries. Subsidiary companies have already come into being under its ægis, such as the Mysore Sales International, Ltd., Chitradurga Copper Co., Ltd., Mysore Cosmetics, Ltd., and Mysore Asbestos, Ltd., Bangalore.

The Mysore iron and Steel, Ltd., Bhadravathi, has completed various schemes, which had been included in the three Plans. Their major scheme of Steel Expansion has been completed at a cost of about Rs. 10 crores. The new scheme of converting the entire plant into a special steel plant has been taken up and the work is in good progress.

While the new Government Electric Factory is going ahead with its developmental programmes in collaboration with M/s. A.E.G. of West Germany, the old Government Electric Factory has planned to manufacture transformers up to a range of 5,000 KVA in addition to the manufacture of Electric Motors and Scientific Surveying Instruments.

The Government Porcelain Factory, in technical collaboration with M/s. N.G.K. of Japan, has launched upon its second stage of expansion to reach a target of 10,000 tonnes per annum of High Tension Insulators by the end of the Fourth Plan period. In addition to the

(SRI RAMAKRISHNA HEGDE)

manufacture of High Tension Insulators, the Factory has lately undertaken the manufacture of special types of Insulators and Bushings for the Railway Electrification schemes and the Heavy Electricals, Ltd., Bhopal.

The Mysore Government Soap Factory has been licensed to produce 6,000 tonnes of soap and the expansion programme is on. Two new schemes to put up a synthetic detergent plant and a hydrogenated groundnut oil plant have been taken up.

The Government Silk Weaving Factory, Mysore, will manufacture fabrics catering to the modern taste with the help of the imported Japanese machinery now under erection.

The Government Spun Silk Mills, Channapatna, is implementing a scheme of expansion-*cum*-modernisation at a cost of about Rs. 20 lakhs.

As a result of several schemes implemented during the three Plan periods, the target of silk production was reached well in advance during the Third Plan.

The two industries which consume large quantity of power are Aluminium and Fertilisers. Government have agreed to provide necessary facilities for these two major industries and they are coming up. Mention may be made of State support to the Mysore Acetate and Chemicals Co., Ltd., Tiwac Industries, Valliappa

Textiles, Ltd., Deepak Insulated Cable Corporation, Mohan Meakin Breweries, Ltd., and Sugar Factories at Bidar and Hiriyur.

INCENTIVES TO KANNADA FILMS

The scheme of subsidy to films produced and processed in Mysore and awards to best films will continue during the coming year and necessary provision has been made in the Budget. Government is also taking preliminary steps for starting a Film Studio and the required land has been reserved.

COMMUNICATIONS AND BUILDINGS

Communication is an important factor for the development of economy. During successive Plans, the financial and physical targets have always been exceeded. During the Third Plan period the targets under Communications have been exceeded by incurring an expenditure of Rs. 16.33 crores as against Rs. 8 crores provided in the Plan; the physical achievements being 993 miles (329) under formation of roads, 2,719 miles (602) under improvements, 3,174 miles (865) under asphaltting, 106 bridges (110) and 12,045 miles (1,500) under rural roads and missing links (figures in brackets represent targets). The expenditure on building works included under State Plan and Centrally sponsored schemes during Third Plan period was Rs. 1,442 lakhs as against Rs. 680 lakhs spent during the Second Plan period.

(SRI RAMAKRISHNA HEGDE)

FOOD SUPPLY OPERATIONS

Mysore State is self-sufficient in coarse grains and deficit in rice even in a year of normal seasonal conditions.

With the constitution of each State into a separate Food Zone, movements of foodgrains between neighbouring States have been stopped. The Government of India have now been giving allotments of rice from Andhra Pradesh and wheat and milo from imported stocks to meet the deficit. The State Government are procuring locally grown paddy, ragi, bajra and jowar to supplement the foodgrains allotted by the Government of India so as to ensure distribution of foodgrains at reasonable prices to the vulnerable sections of the community.

Co-operatives working at the Taluk level have been appointed as the sole agents of Government for procurement of foodgrains and to help them undertake the procurement work, Government have sanctioned about Rs. 3 crores by way of share capital and temporary accommodation. Government have also stood guarantee for the finances to be obtained from the State Bank. It is expected that the Co-operatives would be able to obtain funds to meet the expenditure involved in the procurement scheme.

The food supply operations are being conducted on a "no profit-no loss" basis taking into consideration the operations over a period of time. In spite of the difficult

situation Government was able to arrange for equitable distribution of available foodgrains and the programme of procurement was implemented with minimum hardship to the producer and the informal rationing has, to a great extent, helped in affording relief in bigger cities and towns. Our food policy and foodgrains levy order have stood the test of time. If seasonal conditions are good, I am confident that open market prices will come down.

EDUCATION

The expenditure on Education has increased from Rs. 14.40 crores in 1961-62 to Rs. 24.60 crores in 1965-66 and this will touch a figure of Rs. 33.48 crores in 1967-68. In view of the consequential sudden increase of student strength in the Secondary Schools, 700 non-Government High Schools were opened as against the target of 200 for the Third Plan. The admission potential in Engineering Colleges and Polytechnics has increased considerably. This is besides provision in courses relating to Textiles, School of Mines and other Technical Schools. The mid-day meals programme continues to be popular. During the current year free Secondary Education was introduced. 172 High Schools were started and XI Standard was opened in 102 more schools. A separate Board constituted under a statute is now in charge of Secondary Schools Examinations. The Sainik School at Bijapur is making progress with its new buildings coming up and a second School will be started at Coorg. The N. C. C. has expanded enrolling 2.18 lakhs cadets during the Third Plan period and

(SRI RAMAKRISHNA HEGDE)

about 89,000 cadets during 1966-67. Government have made provision for the accommodation requirements of N. C. C. The grants to the three Universities have been enhanced for the next 5 years. It is now a problem for the Government to find out ways and means of meeting the increased expenditure on Education from year to year. While on the one hand there is demand for expansion, we have to ensure that the quality of education does not suffer. Both these require enormous sums of money and as the scope for new taxes to finance education is limited, fresh sources of tapping other forms of income have to be evolved keeping in view the interest of the poorer sections of the community.

MEDICAL AND HEALTH SERVICES.

Among the several welfare measures, Medical and Health Services play a very important role in the welfare of the common man. The expenditure on these Departments has increased from Rs. 5.16 crores in 1961-62 to Rs. 11.35 crores in 1967-68. During the Third Plan period 1,700 beds were added and another 400 will have been added by the end of the current year. The National Malaria Eradication Programme has achieved significant success and 11.69 units have reached the maintenance phase. The Filaria Control and Small-pox eradication Programmes have made much headway. During the Third Plan period 104 Primary Health Centres and 84 Health Unit type Dispensaries were started. The accommodation for

Health Units received priority attention according to phased programme and the buildings are either completed or are in progress. Both under Medical and Public Health, several training programmes for nurses, midwives, health visitors, Technicians, etc., were successfully implemented. The Family Planning programme has been given topmost priority and the District, Urban and Rural Family Planning Units are functioning satisfactorily. The I.U.C.D. Programme has gained popularity. Hon'ble Members may be glad to know that Government have undertaken upgrading of hospitals to give clinical facilities to the newly opened Medical Colleges at Bellary, Gulbarga, Belgaum and Davangere. In short, the Medical and Health Services have done their best to the common people and most of the diseases are controlled, thereby increasing the longevity of the people.

WELFARE OF BACKWARD CLASSES AND SOCIAL WELFARE

The welfare of backward classes received increased attention during the Third Plan period. The implementation of several schemes added to the welfare of these classes. Mention may be made of conversion of hostels to non-denominational pattern, increased boarding charges, scholarships, opening of book and equipment banks, multipurpose co-operative rehabilitation projects and employment and training cells. During the current year, besides State Plan schemes, the significant achievements under Centrally sponsored schemes are opening of two more Tribal Development

(SRI RAMAKRISHNA HEGDE)

Blocks, organisation of Forest Labour Co-operatives and establishment of Co-operative Consumers' Stores for sweepers and scavengers. During the Fourth Plan period it is intended to lay emphasis on consolidation and expansion. It is proposed to reorganise the Ashram Schools, award scholarships in the shape of books, dress and stationery and provide adequate coaching facilities in hostels. The Department of Social Welfare has also undertaken the programme of training in technical courses.

During the current year steps have been taken to consolidate the existing institutions relating to Social Welfare. Some of the schemes undertaken are development of vocational training programmes in Certified Schools, strengthening of probation services, starting a Composite Engineering Workshop, etc. In view of the increase in volume of work and the complexity of the problems to be tackled, Government felt it necessary to create a post of separate Head of Department to look after probation and after-care services.

The House is aware that a loan of Rs. 3.50 crores was obtained from the Life Insurance Corporation and passed on to Scheduled Castes Housing Corporation at subsidised rate of interest. The Corporation has sanctioned loans of the order of Rupees one crore and care is being taken to see that the loan is utilised for the purpose intended. After a satisfactory utilisation of

this amount, Government will do their best to obtain further loan assistance to help housing of Scheduled Castes.

FOURTH FIVE-YEAR PLAN

As you are aware the formulation of the Fourth Five-Year Plan was beset with several difficulties. The aggression on our frontiers, uncertainties of foreign aid and devaluation and the very unfavourable seasonal conditions gave a setback to the development programme. In spite of all these unexpected difficulties the State's Fourth Plan has been fixed at Rs. 421 crores excluding outlay on Central share of Centrally sponsored schemes transferred to the State sector. Taking into account the outlay on these schemes, the State's Plan will be of the order of Rs. 450 crores. The outlay of Rs. 421 crores has been broadly allocated under the following sectors :—

	(Rs. in crores)
Agriculture and allied programme	97·04
Community Development and Co-operation.	18·96
Irrigation and Power	155·65
Industry and Mining	28·43
Transport and Communication	28·02
Social Services	91·23
Miscellaneous	1·67
Total	<u>421·00</u>

(SRI RAMAKRISHNA HEGDE)

We have, however, to note that a plan of this size, to be successful, depends not merely on implementation but on raising of the assumed resources. The State is expected to raise resources as under, for implementing a plan of Rs. 421 crores.

	(Rs. in crores)
Balance from current Revenues	98.3
Taxation	59.5
Share from Central Taxes ...	18.5
Loans from Public including M.S.E.B. and Water Board.	33.0
Small Savings	25.0
Unfunded Debt	6.5
Contribution from Public enterprises...	30.0
Miscellaneous Capital receipts ... —	71.7
Total ...	199.1

Even during the first year of the Plan the State Government had to incur extra expenditure on emoluments of Government servants and other employees and during the five-year period this commitment alone will be of the order of Rs. 25 crores and this has not been reckoned while assessing the resources. Despite this, it will be our endeavour to raise the anticipated resources and implement the Plan. While, during the Third Plan, the State had the backing of reserves and Government of India also helped us in giving additional assistance towards Plan and to clear the overdraft, we cannot assume any such overdrawals from the Reserve Bank on a large scale hereafter. As I have already indicated earlier, if we have to avoid

inflationary tendencies and spiralling of prices, one of the important precautions to be taken is avoiding deficit financing. While there was some justification for the shortfall in resources during the Third Plan and the current year, any resort to deficit financing in future will result in further deterioration in the economy of the State. It will be our endeavour to regulate our expenditure with reference to resources and to the extent there is shortfall in resources, the Plan programme will have to be pruned and adjusted accordingly by refixing priorities. I am placing this before the House to make it abundantly clear that, while the Plan programme sets forth certain objectives to be realised, we have to avoid deficit financing in the implementation of the programme and the targeted expenditure has to be strictly correlated to resources available from year to year.

It is wrong to assume that a very large portion of expenditure coming outside the Plan does not lead to development. In fact it is this portion of expenditure treated as non-plan with the closing of every plan period that provides larger measure of welfare to the people. We are taking steps to ensure that each department prepares a programme of what is proposed to be achieved taking both plan and non-plan expenditure to ensure that there is no wastage of resources. Our emphasis during IV Plan will be on consolidation, efficiency and adequate returns in physical and financial terms. A frequent review and evaluation of schemes will be made to see that incomplete schemes are given priority and objectives and targets set forth

(SRI RAMAKRISHNA HEGDE)

under each head of development are achieved. I have no doubts that with the co-operation of all sections it will be possible for us to take steps which will lead to the desired objectives to increase the standard of living of the people.

ANNUAL PLAN 1967-68

As the House is aware, the outlay for 1966-67 was fixed at Rs. 50·82 crores with a Central assistance of Rs. 34 crores and the State had to raise Rs. 16·8 crores, as under:—

	(Rs. in crores)
Balance from current Revenues	6·3
Additional taxation	5·8
Loans from public including M.S.E.B.	4·9
Small Savings	3·7
Unfunded Debt	1·3
Miscellaneous capital receipts	—2·7
Contribution from public enterprises	5·1
	<hr/> 24·4
Less repayment of ways and means advances, etc.	7·6
	<hr/> 16·8

According to the Revised Estimates the expenditure on Plan programme including Centrally sponsored schemes will be Rs. 55 crores. It is expected that any overdraft at the end of the current year will be covered by an *ad hoc* loan. The annual Plan for 1967-68 has been tentatively fixed at Rs. 62·50 crores with a

Central assistance of Rs. 34 crores and anticipated State's resources of Rs. 28·50 crores. This excludes provision of Rs. 110·25 lakhs made in respect of certain Centrally sponsored schemes since transferred to State sector by G.O.I. with 100 per cent Central assistance. The sectorwise allocation of the State Plan inclusive of State share of Centrally sponsored schemes is given below :—

<i>(Rs. in lakhs)</i>		
I. Agriculture Programme.	....	1,763·00
II. Irrigation and Power.	....	2,571·00 (Rs. 921 lakhs to be implemented by M.S.E.B. out of its own resources).
III Community Development and Co-operation.		398·50
IV Industry and Mining	....	309·00
V Transport and Communications:		403·25 (Rs. 60 lakhs to be implemented by M. S. R. T. C. out of its own resources).
VI Social Services	...	892·00
VII Miscellaneous	....	23·50
Total		<hr/> 6360·25 <hr/>

The assistance for Centrally sponsored schemes assumed in the Budget is Rs. 1,452 lakhs.

As a result of the unanimous opinion among the States to reduce the number and quantum of Centrally

(SRI RAMAKRISHNA HEGDE)

sponsored schemes to the minimum, the Planning Commission have transferred many of the Centrally sponsored schemes to the State sector. The Budget Estimates have assumed Rs. 15.62 crores as Central assistance on account of schemes transferred to State sector and Centrally sponsored schemes kept outside the State Plan. It will be possible to know the exact quantum of assistance when the Plan outlay and resources are finally scrutinised somewhere in May 1967. What is important to note is that, while there is hope of getting some extra Central assistance, the size of the Plan now arrived at depends on the realisation of State's resources. In working out the State's resources the main assumptions made are that apart from the normal growth rate of existing Revenue receipts and Expenditure, the Electricity Board alone would be able to contribute to a substantial extent by way of sale of power, interest, depreciation, etc., and that we would be able to collect arrears of land revenue, water rates, loans and advances of the order of Rs. 4.50 crores in addition to normal collections. Any shortfall in these receipts will inevitably have an impact on the size of the Plan and we must be prepared for it, if adverse effects of deficit financing have to be guarded against.

I shall now turn to the Accounts for the year 1965-66, the Revised Estimates for the current year and the Budget for the coming year.

ACCOUNTS 1965-66

The Revised Estimates for 1965-66 anticipated a revenue deficit of Rs. 7.64 crores. The actual turned out to a be deficit of Rs. 4.98 crores, an improvement of Rs. 2.66 crores. This was the result of a decrease under revenue of Rs. 2.10 crores and a reduction in expenditure of Rs. 4.76 crores.

The Revised Estimates for the year anticipated a capital expenditure of Rs. 35.55 crores, the actuals however turned out to Rs. 33.62 crores. Shortfall mainly appears under Electricity schemes. There was incoming of Rs. 0.69 crores under Government Trading.

The year opened with a Cash balance of Rs. 6.22 crores and a Ways and Means advance and overdraft of Rs. 27.97 crores. At the end of the year, the Cash balance had fallen to Rs. 0.33 crores and the Ways and Means advance and the overdraft rose to Rs. 40.48 crores as anticipated.

REVISED ESTIMATES 1966-67

The Budget provided for a revenue of Rs. 156.53 crores and a revenue expenditure of Rs. 154.00 crores, leaving a surplus of Rs. 2.53 crores. The revised estimates now provide for a total revenue of Rs. 160.45 crores and a revenue expenditure of Rs. 155.19 crores leaving surplus of Rs. 5.26 crores.

(SRI RAMAKRISHNA HEGDE)

The improvement of Rs. 273 lakhs in revenue is the result of a large number of variations. The principal heads of revenue show an improvement of Rs. 154 lakhs mainly accounted for by an improvement of Rs. 190 lakhs under 'Sales Tax', Rs. 72 lakhs under 'Taxes on Income', Rs. 60 lakhs under 'Stamps', Rs. 53 lakhs under 'State Excise Duties', set off by shortfall of Rs. 189 lakhs under 'Land Revenue' and Rs. 32 lakhs under 'Other Taxes and Duties', the changes in the other heads cancelling out. There is an improvement of Rs. 243 lakhs under 'Interest Receipts', Rs. 106 lakhs under 'Electricity Schemes' and Rs. 51 lakhs under 'Miscellaneous'. These improvements are nearly counterbalanced by a fall of Rs. 416 lakhs in the receipt of Grant-in-aid from the Centre on account of Centrally sponsored schemes, of Rs. 38 lakhs under 'Education', Rs. 52 lakhs under 'Industries', Rs. 67 lakhs under 'Irrigation (Commercial)' and Rs. 22 lakhs under 'Dividends from Commercial Undertakings'. The other variations spread over a number of heads do not call for any special comment.

Expenditure met from revenue is now expected to be Rs. 118 lakhs more than the Budget. Debt Services show an increase of Rs. 454 lakhs, Famine Relief Rs. 280 lakhs and Irrigation works Rs. 44 lakhs. This is partly counterbalanced by a fall of Rs. 405 lakhs under 'Social and Developmental Services', Rs. 112 lakhs under 'Public Works' and by minor variations under the other heads. The revised estimates include

provision for the increase in dearness allowance sanctioned twice to Government employees during the course of the year.

Capital Outlay this year is now placed at Rs. 32·19 crores against the Budget of Rs. 28·74 crores. The increase of Rs. 3·45 crores is accounted for by an increase of Rs. 224 lakhs in Capital Outlay on Industrial Development, Rs. 264 lakhs in Capital Outlay on Irrigation and Navigation (Commercial and Non-commercial) counterbalanced by shortfalls under Electricity Schemes Rs. 60 lakhs, Ports Rs. 19 lakhs, Capital Outlay on State Trading Rs. 40 lakhs and minor shortfalls under other heads.

The current year opened with a Cash balance of Rs. 0·33 crores, a Ways and Means advance and overdraft from the Reserve Bank of Rs. 40·48 crores. The transactions of the year are expected to result in an overall deficit of Rs. 4·26 crores. There will be a total outgo of Rs. 95·20 crores made up of Capital Outlay of Rs. 32·19 crores, Rs. 52·85 crores on repayment of Debt including Rs. 26·0 crores to be cleared out of overdraft and Ways and Means advance to the Reserve Bank during the year and net outgo of Rs. 10·16 crores under Loans and Advances. This will be partly covered by a total receipt of Rs. 76·70 crores, Revenue surplus of Rs. 5·26 crores, Rs. 4·16 crores from Market borrowing, Rs. 51·29 crores from borrowing from the Centre, Rs. 3·16 crores from other borrowings, Rs. 1·22 crores from the net receipts under Unfunded Debt and Rs. 25·88 crores from Debt and Deposit Heads, the large credit under which is accounted for by the

(SRI RAMAKRISHNA HEGDE)

proceeds of the sale of securities held in the Sinking Funds and other Reserves for repayment of the Ways and Means advances to Reserve Bank, leaving an overall deficit of Rs. 4.26 crores. This will wipe out the opening cash balance and leave a minus balance of Rs. 3.93 crores. It has, however, to be mentioned that the State is likely to have an overdraft of about Rs. 14 crores to Rs. 15 crores as already indicated and this can be cleared only by another *ad hoc* loan from the Centre. I can, however, assure the Centre that steps will be taken to see that in the coming year expenditure will be regulated with reference to resources and all out efforts will be made so that this State will not contribute to the financial instability of the Centre.

BUDGET 1967-68

At the existing level of taxation including the yield of the measures so far implemented, the revenue for the next year will amount to Rs. 185.60 crores and the expenditure on Revenue Account to Rs. 177.01 crores leaving a surplus of Rs. 8.59 crores. The Revenue Estimates provide for some improvement in tax collection including arrears by tightening the collection machinery. Land Revenue, Sales Taxes, Other Taxes and duties, Stamps, Interest, Medical, Animal Husbandry, Industries, Irrigation (Commercial) and Electricity Scheme are all expected to bring in additional income in the coming year. The question of improving the yields under the existing heads of Revenue has not been lost sight of. For example, in

the current year, the Commercial Taxes Department, which collects the largest single item of State Revenue, namely, Sales-taxes, was further strengthened to check evasion and clear arrears of assessment. Sales-tax is expected to reach a figure of Rs. 29.1 crores next year. The transfer of Agricultural Income-tax from the Revenue Department to the Commercial Taxes Department has already borne good results and the timely assessment of revenue under this head has led to an improvement in collections. The Budget also takes credit for receipt of Rs 9.30 crores by sale of power from Sharavathi to the State Electricity Board. Since the third unit has not yet been commissioned, the question of charging interest on Capital and Depreciation is under consideration and suitable adjustments in accounts could not be made during the current year.

The Revenue expenditure in the coming year shows an increase of Rs. 21.82 crores over the Revised Estimates for the current year. The Revenue Budget includes a State Plan outlay of Rs. 16.50 crores (net) and an outlay of Rs. 11.31 crores (net) on Centrally sponsored schemes. Provision has been included for committed expenditure arising out of the schemes completed during the Third Plan in respect of schemes transferred to Agricultural University, revised grants to other three Universities, for interest charges on outstanding loans and the normal increases in administrative expenditure and also for increases of Dearness Allowance sanctioned twice during 1966-67. The outlay on Centrally sponsored schemes depends on the quantum of Central assistance which has not

(SRI RAMAKRISHNA HEGDE)

yet been communicated. A provision of Rs. 13 crores has been made under the head 'Appropriation for Reduction or Avoidance of Debt' out of which Rs. 2 crores will be repaid to the Reserve Bank on account of overdraft at the end of the year and the balance taken as resources for financing the Plan outlay. An analysis of the Revenue Budget will show that out of Rs. 177·01 crores, Rs. 4·35 crores will be absorbed by tax collection, Rs. 30·21 crores by Debt Services, which include a provision of Rs. 2 crores for reducing the overdraft, Rs. 15·97 crores by Administrative Services, Rs. 82·55 crores by Social and Developmental Services (Education alone takes Rs. 33·48 crores out of this sum), Rs. 26·31 crores by Public Works, Electricity and Irrigation, Rs. 3·37 crores by Pension and other retirement benefits, Privy Purses and Territorial and Political Pensions and Rs. 6·28 crores by Forest. Out of the total Revenue Expenditure of Rs. 177·01 crores, Rs. 27·35 crores (net) form part of the Plan outlay, including outlay on Centrally sponsored schemes, leaving a balance of Rs. 149·66 crores as non-Plan expenditure.

For Capital outlay, a provision of Rs 35·89 crores has been included. Out of this, Rs. 19·98 crores are for Irrigation and Power, Rs. 8·09 crores for Roads and Buildings, Rs. 7·29 crores for Industries, including investment in the share capital of Aided concerns and Co-operative institutions. The balance of the provision of Rs. 0·53 crores is for items like Ports, Public Health, Compensation, Food Supplies

and other miscellaneous items. Out of the total Capital Outlay of Rs. 35·89 crores, net outlay of Rs. 31·57 crores forms part of the Plan including Centrally sponsored schemes, leaving a balance of Rs. 4·32 crores for outlay outside the Plan. This does not include Capital Expenditure incurred by the Mysore State Electricity Board and the Mysore State Road Transport Corporation to the extent of Rs. 9·81 crores which also forms part of the Plan. For minor irrigation works in the Public Works Department adequate provision has been made in the Budget to see that works taken up could be speedily completed. Under Communications, provision has been made for all works in progress and for schemes coming under Roads of Economic Importance a provision has also been made for new works. Under 'Buildings', provision has been included for works relating to Plan schemes of the Departments concerned. Outside the Plan, provision has been included of Rs. 15 lakhs for Court Buildings, Rs. 15 lakhs for Sainik School, Rs. 30 lakhs for residential quarters for Government servants and for other works like the Mysore House at Delhi, the construction of a Sub-Jail at Gulbarga, for a Super-Market at Gulbarga and building for Commercial Taxes.

Under Loans and Advances, credit has been taken for an extra recovery of about Rs. 2 crores over and above the recoveries in recent years. It is necessary to step up the recoveries of loans as, while disbursements have been steadily rising, recoveries have remained more or less stagnant.

(SRI RAMAKRISHNA HEGDE)

The provision for disbursements of Loans and Advances in the Budget is Rs. 18.92 crores. In addition to normal items like Takavi and Land Improvement Loans, the Budget includes a provision of Rs. 8.43 crores forming part of the Plan, Rs. 97 lakhs for loans to Government servants, Rs. 200 lakhs for loans to Mysore State Electricity Board, Rs. 5 lakhs for Rehabilitation of Goldsmiths, Rs. 115 lakhs for Housing Schemes financed by loans from the Life Insurance Corporation and Rs. 36 lakhs for National Loans Scholarships. Loans under the Plan include loans for Irrigation Wells, and for purchase of Pump-sets, loan to the Bangalore Water Supply and Sewerage Board, loan for other urban water supply schemes and loans for Ayacut Development in the Tungabhadra Area, Soil Conservation, Community Development, etc.

DEBT POSITION

I must mention in this connection the increasing debt liability of the State. This is inevitable when we are implementing big plans for the welfare of the people. The question of mounting debt is not peculiar to Mysore. We have, however, to see that the State gets returns from the various investments. The question of liberalisation of repayment of loans to Government of India which has been recommended by Fourth Finance Commission has been taken up with Government of India again. The Debt position including State Loans, loans from Government of India and others, Overdraft and Ways and Means Advances

will be Rs. 313·36 crores at the end of the current year and Rs. 330·85 crores at the end of 1967-68. This is well covered by assets in various forms and the book value of these representing Irrigation Works and Power Projects, Building and Communications, Industries Loans and Advances outstanding is expected to stand at Rs. 471·95 crores at the end of the current year and Rs. 516·65 crores at the end of the next year. With the yield from our investments and liberalisation of the terms of the loans by the Government of India there will be no difficulty in discharging the liability on the due dates.

PUBLIC LOAN

The State Government will repay the 4 per cent Development Loan, 1967, which will mature for repayment in September 1967. It is also proposed to approach the market for a fresh loan of Rs. 6·50 crores and the question of offering conversion facility for the 1967 loan will also be considered. A loan of this magnitude requires co-operation of Scheduled Banks and Life Insurance Corporation. I hope the Government of India will evolve a common policy of enabling Scheduled Banks and other Institutions to subscribe in a larger measure.

SMALL SAVINGS

The House will be interested to know the progress made in the Small Savings which is one of the resources for financing the Plan programme. During the current year the State Government with the assistance of the

(SRI RAMAKRISHNA HEGDE)

National Savings Organisation took Several steps to mop up Savings. The Pay Roll Savings Group consisting of about 14,000 employees under Mysore State Road Transport Corporation continues to have the prominent position as one of the biggest Pay Roll Savings Group in the country and the employees have agreed to invest in 12 Year National Defence Certificates. The Mysore Kirloskar Private, Ltd., Harihar, organised a cultural programme linked up with Small Savings. During the year 23 Mobile Post Offices were commissioned and secured an investment of Rs. 22 lakhs. The Management and the representatives of the Union of the Kolar Gold Mining Undertakings have agreed to join the Pay Roll Savings Group. I trust employees of other Industries will join the Small Savings Group and contribute to the welfare of the Nation. During the current year the State has been able to collect Rs. 8.81 crores gross and Rs. 2.31 crores net to end of December 1966.

RELIEF TO GOVERNMENT SERVANTS

The State Government incurred an expenditure of about Rs. 30 crores for increasing emoluments of Government servants during the Third Plan period. During the current year the allowance was further enhanced twice, once in the early part of the year and again on the Interim Report of the Pay Commission. This will cost about Rs. 6.00 crores per annum and our Government servants including employees of Educational and other Institutions enjoy the same

benefit of Dearness Allowance as Central Government servants. The Dearness Allowance Commission set up by Government of India is examining the question of evolving a formula. Our Pay Commission has also issued a questionnaire bearing on the terms of reference and has commenced work. These reports are awaited.

CENTRE — STATE RELATIONSHIP

In a federal set-up like ours dependence of States on the Centre cannot be avoided so long as the States have to implement most of welfare measures and maintain law and order with inelastic resources and both the Centre and States have to implement a National Plan. It is desirable that, in matters falling within the State's competence, sufficient freedom is allowed and not too much of a restriction of Central assistance is imposed. There are also questions of overlapping functions of Planning Commission and Finance Commission which affect States' interests. These are matters which come under the terms of reference of the Administrative Reforms Commission which has committees with experts to examine all aspects. Pending receipt of the Report of the Commission, the Centre has already recognised the present drawbacks and has brought several Centrally sponsored schemes to state sector. In a large country like ours where problems differ from State to State a certain amount of effective control by the Centre cannot be avoided. I particularly refer to the question of overdrafts. While it is desirable on all sides that there should not be rigidity in the matter of Central assistance that may

(SRI RAMAKRISHNA HEGDE)

be decided, any liberal relaxation in financial control will lead to disastrous results and so far as this State is concerned, while we had to pass through difficult periods hitherto, we would in future see that all assistance and co-operation is rendered to the Union Government in enforcing financial discipline but the Centre should also be sympathetic about the problems of States. Sufficient time should be allowed to enable the States to adjust expenditure against resources and in the case of developing States like Mysore there should be a revision of existing procedure of adjusting repayments of loans to Centre by the Accountant General regardless of State's Cash Balance and also in respect of decisions by Centre which have repercussions on States. I have no doubt that the present Union Finance Minister who is an elder statesman with rich experience will give necessary guidance and evolve a suitable working arrangement so that the country's economy may be re-oriented and set on sound lines which would lead to stability and prosperity.

TAXATION

The House is aware that the Central Sales Tax Act was amended in the early part of this year raising the rate of tax from two to three per cent on inter-State sales. A corresponding amendment is necessary to the State Act in respect of declared goods. The Amending Bill which will also include other provisions will be placed before the House in due course.

Surcharge on Land Revenue will not be further continued.

The scope and rationalisation of tax structure of the Mysore Agricultural Income-tax are being examined. Necessary amendments to the Act will be placed before the House.

ABOLITION OF LAND REVENUE

In my reply to discussions on the last Budget I had invited suggestions regarding abolition of Land Revenue in its present form. Government have been bestowing thought to this measure and have constituted a Cabinet Sub-committee to examine the question in all its aspects. I am glad to inform the House that the Government have taken a decision to abolish Land Revenue in its present form. This will obviously create certain new problems. As the House is aware, this decision involves loss of revenue of about Rupees six to seven crores including cesses. Sixty per cent of Land Revenue is assigned to Taluk Boards and Village Panchayats. The interests of these Panchayet Bodies have to be taken care of. There is also the question of meeting the cost of staff for maintenance of land records and other village accounts. All these points have to be looked into and it will take some time to implement the decision.

PROHIBITION

During the last few years opinions have been expressed on the floor of the Legislature through interpellations and discussions on the Budget and other

(SRI RAMAKRISHNA HEGDE)

subjects that prohibition has not worked well and has led to undesirable results. There have also been opinions expressed by the public. Government have taken note of all these and after considering the pros and cons, have come to the conclusion that some changes in prohibition policy are necessary and the Mysore Prohibition Act will be suitably amended. As a result of this decision, an additional revenue of about Rupees four crores could be anticipated.

I may now summarise the overall Budgetary position. We shall be opening the coming year with a minus balance of Rs. 3.93 crores. The outgo during the year will be Rs. 25.94 crores on account of debt repayment, including the repayment of Rs. 2 crores to the Reserve Bank on account of the overdraft, Rs. 1.91 crores under Inter-State Settlements, Rs. 35.89 crores on account of capital outlay and Rs. 8.47 crores on account of the net outgo under 'Loans and Advances' making a total of Rs. 72.21 crores. This will be met by a Revenue surplus of Rs. 8.59 crores, a market loan of Rs. 6.5 crores, a borrowing of Rs. 33.77 crores from the Central Government and Rs. 3.16 crores from other sources, a net receipt of Rs. 1.53 crores under Unfunded Debt and Rs. 15.16 crores under Debt, Deposit heads making a total receipt of Rs. 68.71 crores. This will leave an overall deficit of Rs. 3.50 crores, which will increase the closing balance to be minus figure of Rs. 7.43 crores. The Hon'ble Members will appreciate that our position would have been better but for sanction of Dearness Allowance costing Rs. 6 crores per annum during current year.

In the difficult financial position of the State and considering the considerable overall deficit it may not be possible to think of any concessions. By the sanction of relief to Government servants by way of increased Dearness Allowance, the State is incurring considerable extra expenditure and this has curtailed resources for the Plan by about Rs. 25 to 30 crores.

At the existing level of taxation, the Revenue surplus for the coming year is estimated at Rs. 8.59 crores and the overall deficit at Rs. 3.50 crores. This will be covered by additional revenue of Rs. 4 crores referred to earlier leaving a small surplus of about Rs. 50 lakhs.

CONCLUSION.

I should like to say a few words about the state of our economy and our finances. The previous year and current year have been difficult ones and I have explained to the House the reasons for this. The implementation of the Third Plan has placed a very great strain on our resources. I have explained that factors like increase in enrolments of Government servants, outlay on buildings, loans and advances and repayments of loans could not be avoided. It is hoped that the State will be able to get a loan to clear the overdraft at the end of current year. Our Revenue position is quite sound and the steps which we have taken and propose to take will further strengthen it.

(SRI RAMAKRISHNA HEGDE)

Our projects have commenced to yield returns. As I have explained the State will become surplus in food in the next three to four years and also be able to export to other States. Our industries will develop. Both agriculture and industry will strengthen our economy. I have no hesitation in informing the House that our future is bright and we need not be worried over temporary difficulties which are natural in the process of development. The State's finances had a temporary setback all these years [due to reasons already explained. Government are determined to enforce financial discipline so that deficit financing may not add to inflationary pressures and with the clearance of overdraft at the end of the current year I can assure the House that steps will be taken to maintain a balanced Budget. It is only on the verdict of the people we are occupying different positions in this House. To look after the welfare of the people is as much the privileged right of the opposition as the treasury benches. Whatever may be the differences between us, our common objective of working towards the welfare of the State should unite us in the common effort. I appeal to all Hon'ble Members and seek their hearty co-operation with an assurance that all constructive criticisms will be taken into consideration by Government.

I hope the House will give its approval to the Budget which I commend for its favourable consideration.

JAI HIND

ANNEXURE A

ESTIMATES OF PRODUCTION OF IMPORTANT AGRICULTURAL COMMODITIES DURING THE YEARS 1964-65 AND 1965-66.

(Figures in Metric Tons)

		1964-65*	1965-66**	Percentage variation
Cereals	...	42,27,435	30,17,239	—28·63
Pulses	...	3,06,145	2,43,637	—20·42
Oilseeds	...	6,97,814	4,04,147	—42·08
Cotton	...	5,16,833	1,96,782	—61·93
(Bales of 392 lbs.)				
Sugarcane	...	59,92,880	53,11,918	—11·36

* Partly revised estimates.

** Final forecast figures.

ANNEXURE B

PRODUCTION DATA OF SOME SELECTED INDUSTRIES IN THE STATE.

Industry	Unit	Production during				April-Sept. 1966	Percentage variation	April-Sept. 1965	Percentage variation
		1964-65	1965-66	Percentage variation	April-Sept. 1965				
Pig Iron (including ferro-alloys)	... Metric Tons	99,170	96,725	-2.47	53,667	53,493	-0.32		
Crude, Semi-finished and Finished Steel	...	87,907	1,46,132	+66.23	56,896	65,728	+15.52		
Sulphuric Acid	...	8,233	16,621	+101.88	7,439	12,683	+70.49		
Copper Sulphate	...	1,532	1,175	-23.30	691	615	-11.00		
Super Phosphate	...	15,420	39,386	+155.42	16,374	31,638	+93.22		
Ammonium Sulphate	...	171	273	+59.65	82	Nil	...		
Sugar	...	1,53,447	1,77,332	+15.56	49,219	24,979*	-49.25		
Paper	...	52,002	57,660	+10.88	27,392	29,505	+7.71		
Cement	...	854.9	912.6	+6.75	422.5	493.1	+16.71		
Sandalwood Oil	... 000 Kg.	98.94	107.45	+8.60	51.2	52.0	+1.56		
Vanaspatri	... Metric Tons	4,523	5,499	+21.58	2,675	2,598	-2.88		

* Provisional.

ANNEXURE C

THE DATA OF VALUE OF PRODUCTION OF GOVERNMENT
INDUSTRIAL CONCERNS.*Value of Production in Government Concerns.*

Name of the Concern	Value of Production (Rs. in lakhs)			
	1964-65	1965-66	April-Sept. 1965	April-Sept. 1966
Govt. Sandalwood Oil Factory	133.74	155.81	74.24	85.66
Govt. Soap Factory ...	118.14	146.32	69.19	82.35
Govt. Electric Factory ...	99.84	103.45	28.86	48.77
Govt. Porcelain Factory ...	73.29	89.05	43.15	54.57
Govt. Silk Weaving Factory ...	15.30	21.13	10.68	8.71
Mysore Implements Factory ...	36.54	37.80	19.51	18.68

ANNEXURE D

THE VALUE OF PRODUCTION OF SOME IMPORTANT
MINERALS DURING THE TWO YEARS 1964 AND 1965.

Minerals		Rs. in lakhs	
		1964	1965*
Gold	...	298.12	270.16
Silver	...	0.86	0.87
Iron Ore	...	137.63	153.11
Manganese ore	...	70.43	77.97
Limestone	...	40.63	149.52
China Clay	...	2.68	1.59
Quartz	...	4.84	4.11
Magnesite	...	2.96	1.50
Bauxite	...	1.94	3.02

* Provisional figures.

ANNEXURE E

The following table shows the progressive increase in State's Revenues commencing from 1961-62
(Rs. in lakhs)

A. DIRECT TAXES	Accounts, 1961-62 (2)	Accounts, 1962-63 (3)	Accounts, 1963-64 (4)	Accounts, 1964-65 (5)	Accounts, 1965-66 (6)	Revised, 1966-67 (7)	Budget, 1967-68 (8)
I. Share of Central Taxes:							
1. Income Tax	479.41†	488.73	619.40	634.02	631.80	706.32	678.63
2. Estate Duty	22.65	21.72	22.88	37.39	37.78	26.28	37.78
3. Tax on Railway Fares...	55.63	56.00	56.00	56.00	56.00	64.68	64.68
Total I	557.69	566.45	698.28	727.41	725.58	797.28	781.09
II State Taxes:							
1. Agricultural Income Tax	58.56	76.16	37.47	101.08	158.08	132.90	131.75
2. Land Revenue	450.88	519.96	823.50	710.52	556.74	389.53	809.00
3. Stamps	208.56	256.53	297.20	316.11	380.19	440.00	460.00
4. Registration	33.75	37.12	46.93	48.70	59.26	67.00	70.00
Total II...	751.75	889.77	1205.10	1176.41	1154.27	1029.43	1470.75
Total A. Direct Taxes...	1309.44	1456.22	1903.38	1903.82	1879.85	1826.71	2251.84

† Excludes grants from Government of India to cover the reduction in Income Tax, consequent upon the changes in company taxation.

ANNEXURE E—(Contd.)

(Rs. in lakhs)

B. INDIRECT TAXES		Accounts 1961-62	Accounts, 1962-63	Accounts, 1963-64	Accounts, 1964-65	Accounts, 1965-66	Revised, 1966-67	Budget, 1967-68
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
<i>Share of Central Taxes :</i>								
1. Union Excise Duties ...	263.71	460.04	537.48	501.16	652.06	1002.29	1052.41	
2. Additional Excise Duties in lieu of Sales Tax ...	135.29	165.73	154.70	141.84	96.02	175.91	191.43	
Total I ..	399.00	625.77	692.18	643.00	748.08	1178.20	1243.84	
<i>II. State Taxes :</i>								
1. State Excise ...	288.05	292.84	352.06	372.87	404.04	457.85	438.03	
2. Tax on Vehicles ...	459.19	556.43	720.10	542.87	569.56	640.00	691.00	
3. Sales Tax on Motor Spirits. }	869.34	1028.99	1212.23	1473.62	1786.90	2270.18	2511.00	
4. Sales Tax (General)								
5. Inter-State Sales Tax ...	75.95	92.76	139.73	174.02	166.78	330.00	400.00	
6. Electricity Duty ...	147.74	161.90	177.37	196.34	217.24	202.06	212.96	
7. Entertainment Tax ...	81.89	102.44	146.19	130.51	151.80	179.92	189.92	
8. Other taxes including Sugarcane Cess ...	29.86	93.97	16.04	188.95	194.06	233.25	245.50	
9. Health Cess ...	11.90	19.14	57.29	51.06	51.90	60.00	65.00	
Total II ...	1963.92	2348.47	2821.01	3130.24	3542.28	4373.26	4753.41	
Total (B) INDIRECT TAXES I & II	2362.92	2974.24	3513.19	3773.24	4290.36	5551.46	5997.25	
Total TAX REVENUE A & B ...	3672.36	4430.46	5416.57	5677.06	6170.21	7378.17	8249.09	

ANNEXURE E—(Contd.)

Yield from important heads of Non-Tax revenues.

(Rs. in lakhs)

C. NON-TAX REVENUE								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Net Revenues from Industrial Concerns ...		65.15	23.53	64.95	64.52	122.91	19.90	119.86
Net Revenues from Forest Department ...		435.07	435.48	492.51	517.84	497.24	478.74	452.15
* Net Receipts from Road Transport Schemes		39.07(a)	...	...	...	...	...	...
Net Receipts from Irrigation (** excluding the grants from Government of India for Plan Schemes and also excluding interest on Capital).		12.82	24.21	36.23	23.24	48.17	23.75	95.32
Total C		318.03	436.16	391.33	430.08	326.16	435.09	667.33
Total Tax and Non-tax Revenue (A+B+C)		3990.39	4866.62	5807.90	6107.14	6496.37	7813.26	8916.42
*** Grants-in-aid from the Centre under provisions of the Constitution.		706.96	684.34	679.28	675.00	687.88	2082.00	2082.00

Note :—*This does not indicate the net profits earned. This will be available in the Appropriation Accounts of the respective years.

***With the addition of interest on Capital the net receipt will show a very large deficit.

***This does not include grants towards the Plan Schemes, but includes the *ad hoc* grant of Rs. 675 lakhs from 1962-63 awarded by the III Finance Commission and Rs. 2082 lakhs awarded by IV Finance Commission for 66-67.

(a) This represents working of the concern on cash basis for a portion of the year till its formation into a Corporation. Working results on Commercial lines will be available in the profit and loss accounts and Balance Sheet.

ANNEXURE F

Table showing expenditure on some of the Developmental Heads in Revenue Account.

(Rs. in lakhs)

Revenue Head	Accounts, 1961-62	Accounts, 1962-63	Accounts, 1963-64	Accounts, 1964-65	Accounts, 1965-66	Revised, 1966-67	Budget, 1967-68
Education	1440.23	1662.47	1826.39	2066.91	2460.27	2844.46	3347.98
Agriculture	196.45	211.42	297.10	300.72	572.58	491.66	807.04
Animal Husbandry	88.46	107.69	121.65	133.77	211.72	267.97	344.50
Industries including Sericulture (Gross).	1878.53	1147.42*	939.75	1080.33	1195.43	1282.68	1433.23
Rural Development	118.98	146.77	21.54**	25.94	34.97	62.38	112.48
Co-operation	52.24	61.48	70.90	78.30	92.12	102.95	122.79
Public Works including Civil Works and Irrigation and Grants to Local Bodies (Gross).	1555.89	1557.42	1814.73	1870.40	1989.38	2277.60	2631.21
Medical	313.86	315.52	339.77	375.34	412.08	470.66	607.46
Public Health	201.67	451.16	301.89	296.53	301.22	402.18	527.15
Labour and Employment...	38.24	38.86	60.73	59.95	80.30	91.89	161.00
Misc. Social and Developmental organisations.	24.42	25.98	157.68	167.69	221.01	226.07	292.40
Total	5908.97	5726.19	5952.13	6455.88	7571.08	8520.50	10387.24

* Fall due to take over of K.G.M.U. by Government of India and formation of Mysore Iron and Steel Works into a Corporation during 1962-63.

** Due to transfer of expenditure on Social Welfare Department under Misc. Social and Developmental Organisations.

ANNEXURE G

Table showing capital outlay on works outside the Revenue Account.

(Rs. in lakhs)								
...	Accounts, 1961-62	Accounts, 1962-63	Accounts, 1963-64	Accounts, 1964-65	Accounts, 1965-66	Revised, 1966-67	Budget, 1967-68	
Irrigation Works	898.51	890.06	1089.20	1042.39	1065.66	974.24	1098.26	
Civil Works	993.91	794.83	725.33	693.32	750.17	657.81	808.94	
Hydro-Electric Works	930.50	1187.82	1390.07	997.26	793.50	881.34	900.00	
Industrial and other works, including Iron and Steel Works and Road Transport Schemes.	482.60	306.56	197.43	151.61	752.20	705.75	781.56	
Total	3305.52	3179.27	3402.03	2884.58	3361.53	3219.14	3588.76	

ANNEXURE H

Provision in respect of important Irrigation Works.

Name of the Project	Total Outlay till the end of 1965-66	(Rs. in lakhs)				
		(2)	(3)	(4)	Variation between	
					(4) and (3)	(5) and (4)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Bhadra Project	2643.95	95.00	96.00	95.00	+ 1.00	- 1.00
Tunga	279.33	3.00	3.00	2.50	..	- 0.50
Nugu	307.63	1.00	1.00	1.00	..	..
Ambligola	110.29	0.50	0.50	0.25	..	- 0.25
Contribution to T. B. Board	145.42	10.00	10.00	3.00	..	- 7.00
T. B. Project (Munirabad side)	2966.96	90.00	91.68	75.54	+ 1.68	- 16.14
Kabbini	216.14	41.90	47.00	55.00	+ 5.10	+ 8.00
Ghataprabha I and II Stages	1231.49	46.00	77.10	185.04	+ 31.10	+ 107.94
Harangi	1.60	1.00	1.80	4.00	+ 0.80	+ 2.20
Malaprabha	197.29	70.00	94.00	109.80	+ 24.00	+ 15.80
Upper Krishna	148.12	20.00	16.68	15.00	- 3.32	- 1.68
Hemavathi	3.98	1.26	1.40	35.00	+ 0.14	+ 33.60
Investigation of Major Projects	19.52	..	..	..	..	..
Hebbahalla Project	38.69	1.50	1.50	0.50	..	- 1.00
Chickhole Project	79.47	2.00	4.00	2.00	+ 2.00	- 2.00
Lakshmanathirtha Project	10.64	0.01	0.01	0.01	..	..
Dharma Project	112.77	2.00	2.00	4.00	..	+ 2.00
Nagathana Tank	11.86	0.20	0.20	0.50	..	+ 0.30
C.O.		385.37	447.87	588.14	+ 62.50	+ 140.27

ANNEXURE H—(Concl.)

(Rs. in lakhs)

Name of the Project (1)	Total Outlay till the end of 1965-66 (2)	Budget 1966-67 (3)	Revised 1966-67 (4)	Budget 1967-68 (5)	Variation between	
					(4) and (3) (6)	(5) and (4) (7)
B.F. ...	...	385.37	447.87	588.14	+62.50	+140.27
Tungbhadra Project High Level Canal.	271.75	50.00	83.70	45.00	+33.70	-38.70
Tungbhadra Project Right Bank						
Distributaries	143.54	10.00	12.20	4.56	+2.20	-7.64
Jambadahalla Project	60.64	8.00	8.00	8.00	...	...
Kanaknala	69.87	3.00	3.00	2.00	...	-1.00
Kolchi Weir Project	37.51	0.50	0.50	1.00	...	+0.50
Hathikoni Project	38.86	8.00	14.00	2.00	+6.00	-12.00
Krishnarajasagar Works	129.81	13.00	13.00	14.74	...	+1.74
Special Irrigation under T.B.P., Bellary	1.98	0.60	0.60	1.00	...	+0.40
Rajolibunda Diversion Scheme	313.93	1.00	1.00	0.70	...	-0.30
Ramanahalli Tank	39.23	0.01	0.01	0.01	...	...
Areshankar Tank	20.91	0.01	0.01	0.04	...	+0.03
Kalaskop Tank	17.36	0.01	0.01	0.50	...	+0.49
Hagaribommanahalli Project	46.81	8.00	28.00	25.00	+20.00	-3.00
Mangala Project	26.70	5.00	15.50	3.00	+10.50	-12.50
Harinala Project	6.38	0.60	0.60	0.30	...	00.30
Bijur Project	1.86	0.50	0.50	1.00	...	+00.50
Arkavathi Project	...	...	...	0.01	...	+00.01
Kambadakada Project	...	...	...	...	...	...
Other Projects	N.A.	74.18	142.20	134.00	+68.02	-8.20
Total	...	567.78	770.70	831.00	+202.92	+60.30

ANNEXURE I

Major Items under 'Loans and Advances'.

(Rs. in lakhs)

Items	(Rs. in lakhs)				
	Accounts 1964-65	Accounts 1965-66	Budget 1966-67	Revised 1966-67	Budget 1967-68
I	2	3	4	5	6
Loans for slum clearance ...	2.25	4.88	0.75	1.25	0.75
Loans to Municipalities for Water Supply Schemes ...	39.70	59.34	27.50 }	111.77	17.00
Loans to Municipalities for Drainage Works ...	18.35	15.51	6.00 }		12.00
Loans to Municipalities for Other Development Schemes ...	0.51	0.47	1.00	1.00	2.00
Loan to Bangalore Water Supply and Sewerage Board ...	...	115.00	150.00	115.00	150.00
Loans to Village Panchayats and Local Boards for Water Supply and Drainage Schemes ...	6.15	6.96	5.00	8.00	5.92
Advances to Cultivators ...	337.15	842.76	446.60	538.22	514.95
Advances under Special Laws—State Aid to Industries ...	23.74	44.29	2.00	17.00	2.00
Loans under Community Development Programme ...	55.23	59.51	37.61	43.60	33.00
Loans to Land Mortgage Bank ...	40.00	40.00	40.00	...	...
Loans under Coir Industries Scheme ...	0.10	0.10	...	...	...
Loans under Handicraft Scheme ...	0.50	...	...	...	0.70
Loans for Cotton Handloom Industries ...	0.22	0.80	0.50	50.00 }	1.50
Loans for Woollen Handloom Industries ...	...	...	0.15	0.15 }	...
Loans for Silk Handloom Industries ...	0.86	...	0.15	0.15 }	...
Loans for Installation of Powerlooms ...	5.02	0.15	1.00	1.00	6.09
Loans for Development of Small Scale Industries ...	3.00	0.75	1.75	1.75	14.19
Loan to Hatti Gold Mines for Development of Mines ...	...	84.13	...	...	...
Loans for Subsidised Industrial Housing Scheme ...	11.65	14.50	8.50	8.50	12.00

ANNEXURE I—(Contd.)

(Rs. in lakhs)

Items	Accounts 1964-65	Accounts 1965-66	Budget 1966-67	Revised 1966-67	Budget 1967-68
1	2	3	4	5	6
Advances for Trust Boards for layout of extension ...	9.00	...	9.00	6.00	6.00
Loans for Low Income Group Housing Scheme ...	26.00	54.35	17.88	17.88	14.00
Loans under Fisheries Schemes ...	...	...	4.50	10.55	3.75
Loans for Housing Schemes (L.I.C. Funds) ...	65.00	122.10	100.00	97.00	105.00
Advances to Contractors ...	2.79	24.04	10.00	5.00	1.50
Loans to Co-operative Societies including House Building Societies. ...	12.03	23.46	15.00	13.00	15.00
Loans to Urban Societies for construction of buildings ...	3.00	0.50	2.50	2.50	2.50
Loans for construction of houses for Backward Classes through the agency of building societies ...	5.28	6.28	6.00	4.00	5.00
Loans to Non-Government Colleges for construction of Buildings ...	0.50	0.82	1.00	1.00	1.00
Loans for Plantation Labour Housing Scheme ...	0.70	0.37	1.00	1.00	0.66
Loans for Soil Conservation Scheme ...	10.57	30.27	25.00	...	4.50
Loans to Primary Marketing Societies for construction of Godowns ...	2.67	11.09	4.39	4.39	3.75
Loan to Electricity Board for extension of power lines ...	105.00	...	...	...	...
Loan to Electricity Board for Rural Electrification ...	110.00	150.00	...	...	...
Loan to non-agriculturists on account of Land acqui- sition, etc. ...	1.28	...	2.81	2.00	2.00
Loans to Educational Institutions for the construction of Hostel Buildings. ...	0.50	2.30	2.00	1.00	3.00

ANNEXURE I—(Contd.)

(Rs. in lakhs.)

Items	(Rs. in lakhs.)					
	Accounts 1964-65	Accounts 1965-66	Budget 1966-67	Revised 1966-67	Budget 1967-68	
1	2	3	4	5	6	
Loans for Rural Housing	11.23	16.09	5.00	10.00	10.00	
Loans for Development of Area under Major Irrigation	10.83	10.71	...	...	...
Projection.	2.00	2.00	2.00	2.00	2.00	
Loan for the Development of Dandeli Township	5.00	...	...	...	...
Loan Assistance to Co-operatives for Boat Building, etc.	...	...	...	...	...
Loans to Government Servants and I.A.S. Officers	52.90	83.13	66.79	81.89	96.79	
towards House Building Advances and for purchase of Conveyances	...	3.00	5.00	5.00	5.00	
Loan to Universities for sanction of House Building	...	...	57.00	46.00	9.00	
and other advances to their staff	...	...	10.00	10.00	10.00	
Ayacut Development Programme under Major Irrigation	...	...	36.20	36.20	36.20	
Loan to Fishermen for purchase to Boats	...	...	...	...	...
National Loan Scholarships Scheme	...	340.00	...	...	...
Loan for Scheduled Caste Housing	...	...	15.00	8.00	10.00	
Advances to Trust Board Corporations & Municipalities	...	...	...	400.00	200.00	
for Land Acquisition & Development Schemes	...	...	...	4.00	5.00	
Loan to Mysore State Electricity Board	...	...	...	90.00	112.50	
Short term loan for Fruit Production	...	...	...	6.50	8.40	
Agricultural Credit Stabilisation Fund	...	...	...	...	...
Project for Intensive Development	...	...	...	...	...

ANNEXURE J

Statement of Balances under some important heads under the major Head 'Loans and Advances by State and Union Territory Governments'.

(Rs. in lakhs)

Heads	Accounts 1965-66		Balance as on 1st April 1966
	Credits	Debits	
1	2	3	4
Loans to Presidency Corporations, etc.	2.49	...	148.15
<i>Loans to Municipalities:—</i>			
Loans for Water Supply	...	...	541.04
Loans for Drainage and other purposes	26.43	59.34	199.03
Loans to Municipalities for other Miscellaneous Development schemes	1.72	15.51	0.97
Loans to Mercara Municipality	0.12	0.47	4.37
Loans of Municipalities	...	...	21.57
<i>Loans to District and other Local Fund Committees:—</i>			
Loans to District Boards	1.42	...	13.76
Loans for construction of Primary School Buildings	1.43	...	14.60
Loans to V Ps and Local Boards for conducting elections	...	...	1.91
Local Funds	0.23	...	0.96
Loans to Agricultural Produce Market Committee	0.34	0.09	1.23

ANNEXURE 3—(Contd.)

(Rs. in lakhs)

Heads	Accounts 1965-66		Balance as on 1st April 1966
	Credits	Debits	
1	2	3	4
Advances to Local Bodies	0.33	...	0.91
Loans to Taluk Boards	(—)0.46	0.50	0.96
Loans for Water Supply and Drainage Schemes and other Public Health purposes	(—)1.25	6.96	28.82
...
<i>Loans to Panchayats</i>	...	...	...
Advances to Village Panchayats	0.18	0.15	2.10
...
<i>Advances to Cultivators :—</i>	...	...	...
Loans for Construction of Irrigation wells	30.14	73.29	752.87
Advances for purchase of Electrical Pumps	11.14	73.71	298.33
Loans to Agriculturists for purchase of Tractors	3.53	11.61	47.26
Loans under the Land Improvement Act (Coorg)...	0.78	0.63	4.27
Takavi Loan (New Rules)	6.31	29.16	148.33
Land Improvement Loans (New Rules)	3.62	20.39	74.44
Loans under the Land Improvement Loans Act and Agriculturists Loans Act (Bellary).	1.11	1.06	27.00
Loans under the Land Improvement Loans Act and Agriculturists Act (Bombay).	31.89	45.09	216.48

ANNEXURE J—(Contd.)

(Rs. in lakhs)

Head	Accounts 1965-66		Balance as on 1st April 1966
	Credits	Debits	
1	2	3	4
Loans under the Agriculturists Loans Act (Coorg)	0.63	0.16	2.21
Famine Takavi	...	...	5.32
Tagai Advances	...	...	2.28
Loans under the Land Improvement Act (Madras)	2.19	1.63	(—) 1.44
Loans for maintenances and Restoration of Tanks	0.92	2.37	7.80
Charges by P. W. Officers under T.M. Rules	...	...	18.51
New Well Subsidy Scheme	0.77	...	5.74
Development Takavi for Development Area under T.B. Project	...	...	26.47
Loans for purchase of Seeds and Manures for sale to cultivators	147.36	508.72	361.37
Loans for completing incomplete wells and deepening of existing wells in scarcity affected areas.	...	...	23.75
Advances under Special Laws—State Aid to Industries	0.70	44.29	164.5
Loans under C.D.P. and N.E.S.	23.42	59.51	511.77
Loans under soil conservation	0.97	30.27	123.84
Miscellaneous Loans and Advances :—			
Miscellaneous Loans	0.17	0.19	82.78
Loan to Gold Mining Companies	7.83	84.13	226.32

ANNEXURE J—(Contd.)

(Rs. in lakhs)

Head	Accounts 1965-66		Balance as on 1st April 1966
	Credits	Debits	
1	2	3	4
Loan to Mysore Central Rural Industrial Financing Bank for Small Scale Industries	...	...	19.00
Loans for Development of Cotton Handloom Industries	2.38	0.80	21.39
Advances to Trust Boards for L. A. and Development Schemes	1.16	...	75.95
Woollen Handloom Industry	1.78	...	15.72
Silk Handloom Industry	0.09	...	16.37
Loans to Small Scale Industries	1.70	0.75	49.48
Loan for Installation of Power Looms	0.08	0.15	75.03
Advances to Regulated Markets	3.95	2.33	28.75
Loans to Mysore Housing Board (For S.I.H. Schemes)	(—) 27.91	...	95.98
Advances to Trust Boards for Layout of Extensions	18.48	...	47.80
Loans for Low Income Group Housing Scheme	48.99	54.35	409.61
Middle Income Group Housing Scheme	2.75	...	150.85
Loans to Co-operative Societies including House Building Societies	10.10	23.46	91.16
Aid against Flood and Rains	4.13	...	54.36
Loan to Electricity Board	...	...	3515.11
Loan to Electricity Board for extension of power lines	...	...	255.00
Loans to Co-operative Societies	6.84	...	20.71
Special Advances to Deputy Commissioners for implementation of Mysore Village Panchayats and Local Boards Act	...	...	12.01

ANNEXURE—J (concl.)

(Rs. in lakhs)

Head	Accounts 1965-66		Balance as on 1st April 1966
	Credits	Debits	
1	2	3	4
Rural Housing	0.81	16.09	51.87
Loans to Government Servants	43.05	83.13	226.68
Loans to Electricity Board for Rural Electrification	160.07	150.00	89.93
Loans to Land development Bank	80.10	40.00	...
Loans for Housing Schemes (L. I. C. Funds)	...	122.10	...
Loans to Mysore Iron and Steel Works Ltd., Bhadravathi	...	...	621.79
Loans for Rural Godowns	0.64	20.20	55.47
Loans to Whole Sale Consumers' Co-operative Stores for working capital	...	...	23.77
Loans to individual and displaced goldsmiths for starting petty shops cottage Industries	...	...	26.00
Loans to State Industrial Bank for the scheme of rehabilitation of goldsmiths	...	...	25.00
Loans for construction of houses for backward classes through the Agency of Building Societies	...	...	31.00
Loans for Rural Housing setting up Pilot Housing Projects	...	...	28.62
Advances to Electricity Board for purchase of Pumpsets	...	140.00	89.99
Loans to Bangalore Water Supply and Sewerage Board	...	115.00	215.00

MR. SPEAKER.—Before adjourning the House, I wish to say that there will be good co-ordination among members so that the time might be well utilised. I hope the seats that will be allotted will be occupied by the respective Members. When we assemble again on Monday, the charts will be there showing the seats that will have been allotted.

The House will now stand adjourned to re-assemble at 1 p.m. on Monday, 27th March 1967.

The House adjourned at Thirty Minutes past ten of the Clock to reassemble again at One of the Clock on Monday, 27th March 1967.